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ABSTRACT

This document contains four papers from a symposium on organization development and change. "The Effectiveness of Total Quality Management: A Response to the Critics" (Douglas H. Smith, Ralph G. Lewis) identifies four effectiveness principles: customer satisfaction, continuous improvement, speaking with facts, and respect for people. "Fast Cycle Organization Development: Analysis and Assessment from an Organizational Learning Perspective" (John C. Redding) considers the use of learning cycle analysis to assess the impact of organizational development interventions. "Intervening to Align: Approaches to Improve Organizational Alignment" (Steven W. Semler) presents a five-step alignment process with which organizations can link strategies, structures, and cultures: calibration, measurement, analysis, intervention and evaluation. "Revisiting Our Analytical Models of Organizational Change" (David W. Frantz) argues that organizational change models should be altered to reflect the pivotal role of employee attitudes, values, and behaviors in change efforts. (KC)

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## ACADEMY OF HUMAN RESOURCE DEVELOPMENT

## 1997 Conference Proceedings

**March 6-9, 1997**
**Atlanta, GA**

19. **Organization Development & Change**
**Chair: Allan Church, W. Warner Burke Associates**

The Effectiveness of Total Quality Management: A Response to the Critics
*Douglas H. Smith, Florida International University*
*Ralph G. Lewis, Florida International University*

Fast Cycle Organization Development: Analysis and Assessment from an Organizational Learning Perspective
*John C. Redding, Institute for Strategic Learning*

Intervening to Align: Approaches to Improve Organizational Alignment
*Steven W. Semler, University of Minnesota*

Revisiting Our Analytical Models of Organizational Change
*David W. Frantz, Purdue University*

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D Smith S Semler
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# The Effectiveness of Total Quality Management: A Response to the Critics

*Douglas H. Smith, Ph.D.*
*Florida International University*

*Ralph G. Lewis, Ed. D.*
*Florida International University*

*A recent paper strongly berates total quality management, claiming it is a tool of management used to adversely manipulate workers in pursuit of corporate gain. This paper questions this supposition, arguing it is the abuse of TQM by management that is at fault. Effective TQM is based on four principles, customer satisfaction, continuous improvement, speaking with facts, and respect for people. It is the lack of the genuine respect for people that is the demise of most TQM initiatives.*

A paper by Howell, Preston, Schied, and Carter (1996) was presented at the 1996 Adult Education Research Conference. It investigated the impact of total quality management (TQM) at a manufacturing plant in Pennsylvania. The study concluded that the workers were worse off after the implementation of TQM, with the workers being "subjected to internalized mechanisms of control," and "objects of the tyranny of management theory and management's economic agenda. They inferred that adult educators were a part of this tyranny, "allowing the corporation to meet their goals using education and training as a facade" (pp. 169-170).

The conclusion that management practices, specifically TQM, was the root of the abject manipulation of the workers is questionable. The purpose of this paper is to question this premise with a counterpoint. Namely, it was not the implementation of TQM that was the cause, but rather poor management and the misuse of TQM for corporate gain at the expense of the workers. This will be done by describing a more complete theoretical framework of TQM than was given in the Howell *et al* paper. A variety of examples where the implementation of TQM has been successful is given. Finally, a description of the implementation of TQM at one company using the principles of the TQM principles described in this paper is presented.

## The Pros and Cons of Total Quality Management

Total quality, as a movement evolved primarily over the last thirty years. Its roots, however, penetrate the last 100 years of striving to improve first manufacturing, and then service. The five recognized gurus of the total quality management are W. Edwards Deming (Walton, 1986), Armand A. Feigenbaum (1983), Joseph M. Juran (1988), Kaoru Ishikawa (1985), and Philip B. Crosby (1979). Individually they molded the framework upon which present TQM practices are based. Collectively, they developed a conceptual framework that has evolved into a worldwide movement that some would call a transformation of every aspect of manufacturing and service. Hence, the term *total* quality.

The implementation of TQM in organizations continues to be strong. The annual report of employee training and development by the editors of *Training* lists TQM as the top initiative in 1995-96, with 49% of all organizations with 100 or more employees initiating TQM("Trends," 1996). While the manufacturing industry has consistently been a leader in TQM, with 65% of the companies implementing TQM, service industries like health services and public administration are actively implementing TQM (75% and 54% respectively). Large organizations (e.g., Federal Express, Ford Motor Company, Coca Cola, Motorola), smaller organizations (L.L. Bean, Wallace, Solectron), government agencies (U.S. Dept. of Agriculture, State of South Carolina, City of Phoenix), and many schools, colleges, universities, hospitals and other health services organizations are at various stages of implementing TQM (Strong and Ford, 1992, Lewis and Smith, 1994, "Training Today," 1995). Organizations receiving the Malcolm Baldridge National Quality Award have an average of six times the return on investment when measured against the Standard & Poor's 500 stocks indicator ("Training Today," 1995). Peters (1994) lists TQM as one of six of the most important concepts transforming organizations today (the other five are reengineering, leveraging knowledge, trust, the curious/adventurous organization, and the virtual organization).

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TQM is not without criticism, however. Zemke (1992), in an editorial on TQM coming under fire, identified five reasons why TQM is being increasingly criticized: A lack of focus on the purpose and goals of TQM, rigid zealotry and adherence to TQM even when it is not being accepted, emphasis of form over function, awareness of TQM over implementation of TQM, and viewing TQM as the fad or flavor of the month, with it being replaced with the next fad, e.g., reengineering and human performance management. The initiatives for implementing TQM are decreasing in some industries, with a drop of nine percent (9%) for all organizations from 1994-95 (58%) to 1995-96 (49%) ("Trends," 1996). However, some industries are increasing, e.g., wholesale/retail trade, from 24% to 44%; and health service, from 66% to 73%. Thus, TQM remains a highly influential management practice that warrants continued attention to its application, and the adherence to *all* the principles.

## Theoretical Framework

The basic theoretical constructs of total quality management are well documented by many authors (Deming (Walton, 1986); Juran, 1988; Lindsey and Petrick, 1997; Voehl, 1990; Walton, 1989). Voehl (1992), and Lewis and Smith (1994) identify four fundamental principles or pillars that form the basis of the application of TQM within the organization: customer satisfaction, continuous improvement, speaking with facts, and respect for people.

Regarding customer satisfaction, the core purpose of any quality improvement process is to ensure that the needs and reasonable expectations of the customer are identified and satisfied. Serving the customers addresses three important questions: Who are our customers, what do they want/need, and what must we do to meet or even anticipate their needs? Once the customers' required needs are identified, work processes can be designed or modified to ensure these requirements are met.

Continuous improvement is both a commitment and a process. As stated by Gallagher and Smith (1997, p. 72), "the commitment to quality is initiated with a statement of dedication to a shared mission and vision and the empowerment of everyone to incrementally move toward the vision. The process of improvement occurs through the initiation of small, short-term projects and tasks that collectively are driven by the achievement of the long term vision and mission."

Speaking with facts, a phrase coined by Deming (Walton, 1986) is more accurately named data driven decision making, as it is based on two functions. First, data are collected so valid conclusions may be drawn, and second, decisions are based on the data. The idea behind this is that making a decision without information, or deciding on the basis of influence, hearsay, or a preconceived notion is undesirable.

These first three principles are cited in Howell *et al* (1996), but not the fourth principle. Respect for people is the acknowledgment that, while people work *at* an organization, they work *for* themselves, trying to create a meaningful and satisfying life. Recognition of this by the organization results in a framework that includes, according to Lewis and Smith (1994), (1) creating a sense of purpose in the workplace so that people are motivated to do their best; (2) keeping people informed and involved, showing them how they are a part of the bigger picture; (3) educating and developing people so that each individual is the best that he or she can be at what they do; (4) helping people communicate well so they can do their jobs with optimal enjoyment and peak effectiveness; and (5) delegating responsibility and authority downward so that people are not just "doing what we're told," but are taking the initiative to try to make things work better.

It is this fourth critical principle that is lacking in most unsuccessful TQM programs. This is the principle that professional practitioners in adult education and human resource development can most contribute. With the equal implementation of the first three principles and a genuine respect for all the people involved in the TQM process, TQM is the one management theory that uses a key premise of adult learning, i.e., the recognition of and respect for adults as individuals and learners.

## The Implementation of TQM at One Company

To illustrate how TQM is being implemented within the framework of the four principles described above, following is a description of how one company is actualizing TQM. This should be read within the context of a progress report, as the TQM process was initiated in August 1996 and will continue for some time from now.

The plant processes citrus products, and is located in central Florida. It has been in operation for thirty

years, and was owned for most of the time by a major food product company. They then sold the company to the present owners who have been in the citrus business for a number of years, having operated other plants in Florida. The present company has owned this plant for four years. They originally intended to have this plant be a processing plant for another packaging and bottling plant, but soon discovered this plant was operating well and set it up to do the entire processing and packaging operation, i.e., a self-sustaining profit center.

The plant employs about 130 people (management and workers) who work year-round. During the Winter and early Spring processing time the schedule is increased to a twenty-four hour, seven day work schedule. For the remainder of the year the schedule is a normal forty hour, five day work week.

Regarding the management of the company, the president was brought in by the parent company. Two other managers, an Executive Vice President, and Operations Vice President were hired from another well known citrus processing company and a household product company respectively. It is the Executive Vice President who launched the TQM program at this plant, having had previous positive experience implementing TQM. Two consultants, one being the coauthor of this paper (Lewis), were contracted to assist in developing and implementing the TQM program.

Some operational information is necessary. The waste of the juice extraction process, the pulp and peel from the citrus, is conveyed to a feedmill. It is then converted into pellets and sold as highly nutritional feed for cattle. The feedmill is a critical part of the plant because the waste from all the other processing lines goes to the feedmill. If the feedmill breaks down or is not productive, the entire plant may have to shut down. Problems here directly affect the rest of the plant. Some problems existed at the feedmill, so management requested the consultants to first work with the feedmill workers.

The consultants have met weekly for about twenty weeks. Their original plan was to conduct various sessions on team development, effective communication, and problem solving techniques. However, they quickly recognized that the workers not only were not interested in these topics, but had great suspicion of the consultants, i.e., "Why are you here? You were sent by management, and management does not listen to us; thus, this is another way to brainwash us and take control." As these questions and attitudes surfaced the consultants listened and, instead of initiating the original plan, they discussed these concerns with the workers, putting them in writing. The consultants then took the workers through an exercise on self-directed teams. At the conclusion of this exercise, they asked the workers to what degree did they want to take control of their actions, to more directly control the operational and managerial functions of their work. They said that, while they still had reservations, the process they had experienced so far had enough potential that they wanted to continue. From this point the workers began to take on some of the problems they had identified. Three will be described.

The first problem was high turnover in the feedmill. With the assistance of one consultant, the workers conducted a causal analysis (a fishbone diagram) to examine the causes and problems of turnover. The same day the analysis was done, management was invited for a presentation. The workers presented their analysis; the consultant only gave support. The presentation was well received and became an important turning point for the workers, because it was an indication that management was serious about this.

Management said they would get back with them shortly. When they did not respond after two weeks, the consultant questioned the Operations Vice President, who stated they were still thinking about the problem. The consultant requested that they tell the workers *something*, because it was an issue of mutuality, trust, and respect. Shortly afterwards they held a meeting and positive feedback was given.

From the turnover problem evolved a problem regarding the company's hiring process. Two issues surfaced that reflect the sensitivity the workers had about management practices. First, when they hired a person they did not tell the person a specific salary, but was only given a salary range by the supervisor. Notice of the hiring was sent to the Operations Vice President who established the salary, but approval of the hiring still required the approval of the Executive Vice President and the President before it was official. It was only then that they told the person the specific salary. This was typically over a week later.

Second, the hiring process was in part inadvertently controlled by the security guard at the front gate. People would come to the gate, ask the guard if they were hiring. The guard would say no and send them away. This frequently occurred after a friend working in the plant had told the person to come because the plant was hiring. This was particularly sensitive to minority applicants whom they would tell the company was hiring, and then were turned away at the gate.

In both issues management did not fully know these actions were occurring, and how the consequences of these actions adversely affected the attitudes of the workers. Because of these presentations, they are reviewing the hiring process at the time of this writing.

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These first two problems centered on managerial practices. The third was a manufacturing problem that also exposed a related managerial issue, i.e., the management style of the supervisor and his actions in relation to the TQM process. A persistent problem in the feedmill is the control of the moisture level of the cattle feed pellets. If it is too high the pellets will break apart; if is too low the cattle will drink too much water after eating the pellets. Again, the workers with the assistance of the consultants conducted a causal analysis, and invited management in for a presentation. They were favorably impressed, and brought in the Quality Assurance Director to hear the presentation again. The Q.A. Director agreed with the worker's conclusion and developed a plan for frequent testing. The issue became who would do the testing, the Q.A. Director or the workers. The Q.A. Director was willing to have the workers conduct the tests. The supervisor, however, adamantly refused. This situation brought to the surface the issue of the workers not liking the intense watching of them by the supervisor. The workers went along with the supervisor's decision, but reluctantly. A core really did want to do the testing, but were being blocked by the supervisor.

Also at this time it was discovered that, when the consultants were not at the plant, the supervisor was making different decisions resulting in extensive inconsistency. The Supervisor, it was observed, was managing by manipulation and playing people off each other. The consultant tried to get him to attend a supervision workshop, but he refused ("I do not want to do role playing," he strongly stated.). The consultant even offered to go with him, but he again refused. To date he is yet to attend and this problem remains unresolved.

As stated above, this case study is a work in progress, and what has been described are three incidents illustrating the implementation of TQM, with the primary focus being a respect for all the people involved in the process. The consultants, with management's approval and encouragement, are working closely with the workers, serving as facilitators and coaches, giving them guidance in both the understanding of their problems, and the skills to describe them to management. This approach has proven effective as indicated by the acceptance of the process by the workers and management, the resolution of some longstanding problems that have been getting in the way of productivity, and a mutually beneficial work environment.

The process is not without its casualties. While the Executive Vice President has been the driver for the implementation of TQM, the Operations Vice President has not been a proponent, but accepted it because his boss wanted it. Such a dissonant attitude and relationship can only last so long, and recently the Operations V. P. resigned, choosing early retirement.

## Summary and Conclusion

The interest in writing this paper began after reading the paper by Howell, Preston, Schied, and Carter (1996). As stated above, they argued that the TQM process is implemented under the guise of education and training, but is actually driven by a corporate policy to cut labor costs. What the management of the company did in Pennsylvania, described in their paper, is not new. Presently three forces are driving thousands of organizations, private and public, to reduce costs: increased competition, decreasing budgets, and increasing costs of fixed expenses (utilities, space, supplies, etc.). Further, for private companies shareholders are increasingly seeking a continuous stream of profit that too often results in short term gain (rising stock prices) at long term loss (reduced R and D and HRD funding). These forces are driving managers to extirpate what they perceive as excessive resources, which are often the people, using any measure that they deem rational to carry out their objectives.

Total quality management can be a highly effective tool to use for this adverse purpose. Identifying an overall mission and goals by management, justifying it by emphasizing its acceptance in order to counter increasing competition, and then establishing work teams and requiring them to develop "team driven" strategies to actualize the goals, diminishes the onus of responsibility for any changes management must make if they do not realize the goals. The managers at the Pennsylvania plant, described in Howell, Preston, Schied, and Carter (1996) were required to follow rigid standards to comply with the ISO 9000 criteria, the international standard for products and practices. These criteria focus more on output and the quality of the product, and not as much on the process of producing the product. Management's interpretation of the criteria, however, resulted in an arbitrary comprehensive testing of all employees, and the development of a two-tiered status for the workers, i.e., those who past the tests and those who did not. This decision was a decision by management who chose to use their adaptation of TQM to carry it out. Thus, it was the misuse and abuse by management of this plant, and not the TQM process that created the resulting demoralizing havoc among the workers.

In contrast, the management at the plant described in this paper, concentrated on similar goals, the increase

of productivity within rigid standards, but without increased costs, and lower costs if possible. They implemented the first three principles described above (customer focus, continuous improvement, and decisions based on facts), but equally concentrated on the fourth principle, respect for people. The result was an increasing sensitivity of the worth and value of the workers, and the allowance and encouragement for their self direction in resolving the problems preventing increased productivity. This is the full use of TQM that, when collaboratively attempted, can result in positive outcomes for everyone.

The consultant (Lewis) that worked closest with the managers and workers at this plant identified twenty-two descriptors that collectively reflect the increasing mutual respect by managers and workers that is evolving through this TQM based process: the valuing of individual differences and worth, the attempt to enhance individual self-esteem, the attempt to provide necessary but not excessive direction, provide adequate resources to do the job, communicate with people on a timely basis, delegate appropriate authority with responsibility, respect people's time, respect other people's authority, look for ways to make jobs better, easier and interesting, provide environments for people to express views and feelings, listen and respond to people, provide appropriate feedback, recognize people's needs, stand up for people, respect individual privacy, respect personal obligations, acknowledge individual hardships, recognize accomplishments, provide opportunities for job skill development, provide opportunities for self-development, provide models for standards of excellence, provide an environment of trust with permission to fail, and emphasize relationships, respect and reconciliation. These characteristics are evident at the public and private organizations mentioned above. They are becoming increasingly evident at the central Florida plant. They are not yet fully evident, but the process for their actualization is in place and is functioning.

The pursuit of "quality" is a driving force of every person, of every organization. When individually perceived and defined, we strive to achieve what we believe to be a "quality life," maintaining "quality relationships," spending "quality time." Organizations also want to sell "quality products," provide "quality service," and do it within organizations recognized for their "quality work environment." Thus, while the growth and implementation of quality as a movement has lessened, the application of the concept is an integral part of our culture, our lives. Chang (1993) in an intense review of the literature on total quality management success stories, and various quality award criteria and certification guidelines around the world, identified ten "core threads" that are evident in successful TQM initiatives: an intense customer focus, hands-on involvement of senior management, deployment of strategic objectives, continuous process improvement, *empowered involvement of satisfied employees*, long term orientation, targeted measurement data, market responsiveness, *continuous learning and development*, and *internal and external partnerships*. We italicized the three "threads" that reflect a respect for people. These are the three that are most often not implemented. They are also the three most difficult to implement. The challenge is evident. Despite it being a process called total quality management, or any other name, to assure successful growth of both organizations and individuals, a genuine respect for people is mandatory.

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# Fast Cycle Organization Development: Analysis and Assessment from an Organizational Learning Perspective

*John C. Redding*
*Institute for Strategic Learning*

*This paper applies organizational learning theory to the examination of the emerging concept of "fast cycle" organization development (OD). It analyzes several OD interventions based on their potential to accelerate organizational learning cycles and, therefore, organizational change. It uses the strategic learning cycle model (Redding & Catalanello, 1994), to examine a series of OD interventions, assessing the degree to which each contributes to the speed, depth, and breadth of organizational learning. It discusses the potential use of learning cycle analysis to assess the impact of a broad range of OD interventions, to develop more potent intervention methodologies, and to provide insights into the role of the OD practitioner.*

In recent years interest has increased dramatically in organization development (OD) interventions that can produce accelerated, fundamental, organization-wide transformation. Large group interventions, such as search conferences, conference models, and open space technology, seek to bring the "whole system in a room" in the effort to produce enterprise-wide change in a highly compressed time frame (Weisbord, 1992). Process reengineering begins by asking, "How would we do things if we were to start from scratch?" and concludes by redesigning business processes, often in less than six months (Hammer, 1990). Action science approaches, employing dialogue, inquiry, and reflection, seek to bring out and question the long held "undiscussable" assumptions that underlie business practices rather than waiting for survival-threatening crises to cause such questioning (Argyris, 1992; Senge et al., 1995).

Among OD practitioners, the descriptor of "fast cycle" is beginning to be used to distinguish a group of interventions that have the potential to produce accelerated organizational change when compared to traditional organization development methods. The term fast cycle has been in management parlance for the past decade. It commonly refers to the systematic reduction of the time span required to complete a single cycle of a core organizational process, such as bringing a product to market or processing an order (Stalk and Hout, 1990). The reduction of cycle times is a significant competitive advantage as organizations are required to face more dynamic and uncertain business conditions. Therefore, much of the discussion of fast cycle OD is focused on reducing the time needed to plan, conduct, and assess OD interventions. By reducing the cycle time of OD interventions, organizations should be able to increase their ability to produce high-speed, large-scale change.

This paper is based on the premise that organizational learning theory can provide considerable insight to guiding the development of OD practice and, in this context, to fast cycle OD. In an organizational learning sense, the terminology fast cycle connotes a different

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and distinct meaning than what is typically found in the general management discussions of cycle time reduction. From this perspective, organizational change is seen as the product of a cyclic process of collective learning. Various models of this cycle have been presented. All deal with a conceived plan, action, reflection, and new insights leading to new action (Dixon, 1995). Accelerating these cycles means accelerating organizational transformation.

This paper begins by providing a specific organizational learning cycle model, the strategic learning cycle model proposed by Redding and Catalanello (1994). This model proposes that three dimensions assess the degree to which organizational learning cycles contribute to organizational change: the speed, depth, and breadth of learning cycles. It will then apply this learning cycle framework to a series of OD interventions, and explore the potential of each to provide for fast, organization-wide transformation.

It is hoped the following discussion will lead to further empirical research regarding the relative contributions of OD interventions to the production of fast, fundamental, system-wide change. It seeks to inform practitioners in the practical considerations for selecting differing OD interventions, such as:

- Are certain types of interventions more capable of fast, fundamental, system-wide change than are others?
- What are the strengths and limitations of specific interventions?
- How might certain interventions be modified and adapted to increase their organizational impact?

It also seeks to contribute to understanding the need for reframing the role of the OD practitioner.

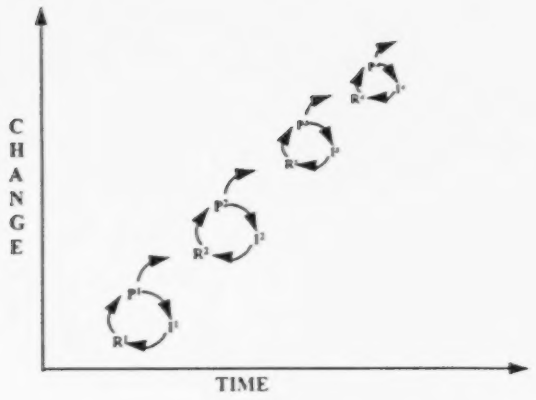
## Strategic Learning Cycle

From an organizational learning perspective, organizational change is often represented as a collective learning process that parallels the process through which people learn from their personal experiences. Experiential learning has traditionally been represented as a cyclical process, moving from thought, to action, to reflection. Kolb (1984) represents experiential learning as a four-stage cycle of concrete experience, reflective observation, abstract conceptualization, and active experimentation. Normann asserts that the learning cycle process can be employed to describe the process of strategy development and execution:

> Strategic action is rarely a simple "first decision, then action." This "sequence myth" has done a lot of damage to many business companies. . . . Instead, we can observe how strategies evolve as a result of a process that has at least three key elements: the formulation of a vision, action based on that vision, and interpretation and reflection based on the action and its outcome. Then the sequence starts again. The vision is further clarified, new action is taken, there is food for more reflection, and so on. There are few instances of strategic change that are not best described in terms of such a spiraling process (1985, p. 22).

In *Strategic Readiness: The Making of the Learning Organization*, Ralph Catalanello and I offered a three-phase "strategic learning cycle" framework. (See Figure 1.)

**Figure 1**
**Organizational Learning Cycle Model**




This framework postulated that the speed with which organizations can produce large-scale, strategic change depends directly on their ability to learn through cycles of organizational learning.

Once the process of strategic change is viewed through the lens of a learning cycle perspective, an obvious question arises, "Is it possible to accelerate strategic change by accelerating learning cycles?" An obvious answer also comes to mind: speed up the learning cycles. That is, if it takes two years to plan, implement, or reflect strategic change, reduce that time by half or three-quarters. However, the Strategic Learning Model suggests that simple speed is only one of three factors that need to be considered when seeking to accelerate organizational learning cycles. Two other dimensions, depth and breadth, also need to be considered. Each is described below:

*Speed* refers to the length of time it takes to complete an iteration of the learning cycle. Each time that the organization plans an intervention, implements the intervention, and then stops and reflects on what has worked and what has not worked, a cycle of organizational learning occurs. If a firm can get around the cycle faster, it will have increased its chances to learn. However, speeding up cycles does not increase learning, only the opportunity to learn.

*Depth* refers to the transformative quality of organizational learning that occurs as a result of each learning cycle. Taking the lead of Argyris and Schon (1978), we distinguish three levels of learning:

Level 1 Learning: Learning that provides simple solutions to the problems and roadblocks encountered, resolving obvious symptoms. Argyris and Schon (1978) call this "single-loop learning."

Level 2 Learning: Learning that provides deeper, systemic solutions to the problems and roadblocks encountered, often resulting in the need to modify the fundamental norms, management practices, procedures, structures, and processes of the organization. This is Argyris and Schon's "double-loop learning."

Level 3 Learning: Learning that serves to identify weaknesses with and improve the learning process itself. Argyris and Schon label it "deutero-learning."

The major difference among the three levels of learning is the quality of questioning that occurs during the reflection phase. At the first level, questioning is limited to fine-tuning the original plans in response to the impediments encountered. As a result, first level learning deals with fixing the immediate problems; it may not confront the root causes of the problems. At the second level, deeper questions are raised regarding pervasive, systemic issues, such as organizational norms, management styles, information systems, processes, and procedures. As a result, organizations can learn about themselves as complex systems; and fairly routine problems, when understood as symptoms of deeper causal factors, can provide the basis for truly strategic learning. At the third level, questions are raised about the learning process itself, exploring how the organization is able to learn. This third "learning to learn" level provides the possibility for the deepest form of organizational learning, increasing the core capacity of firms to learn, regardless of the strategic issue at hand.

*Breadth* refers to the degree to which the learning process affects the organization as a whole system. Several questions need to be answered to determine the breadth of learning cycles:

- To what degree is the full range of stakeholders and structural units of the organization affected?
- To what degree are various organizational subsystems affected, including information systems, marketing, technology, research and development, management practices, culture, rewards and recognition?
- To what degree are the key strategic goals and challenges of the organization affected by the learning process?

The three dimensions of speed, depth, and breadth have been discussed as discrete entities. However, they are interrelated. If there is increased speed (that is more iterations of the learning cycle), it is more likely that the firm will realize the limitations of Level 1 solutions that only address the symptoms and not the underlying causes. As problems continue to persist from one iteration to the next, there is an enhanced likelihood that the firm will appreciate deeper learnings, Levels 2 and 3, that get below the surface, surfacing unstated assumptions and sounding out the underlying reasons for the difficulties. Moreover, as more profound learnings occur, the solutions will deal with the more systemic issues of the organization. And since systemic issues often have an impact upon a wide range of organizational issues in varying parts of the firm, the new knowledge will more easily transfer to other issues, or other parts of the company.

***Learning Cycle Analysis of OD Interventions.*** One way to approach the notion of fast cycle OD is to explore the degree to which varying interventions are designed to promote the speed, depth, and breadth of learning cycles. Fast cycle OD interventions can be contrasted to traditional OD interventions based on the degree to which they purposely accelerate the rate of organizational learning to produce organizational change. (See Figure 2.)

**Figure 2**
**Accelerating Organizational Learning through Fast cycle OD**

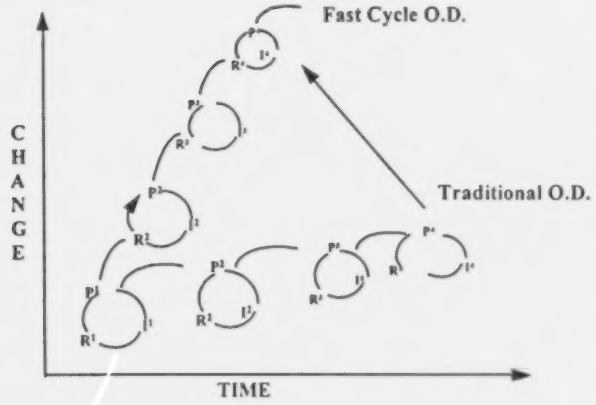



Table 1 offers an analytical framework that characterizes interventions as "low impact," "moderate impact," or "high impact" based on the degree to which they are designed to affect the speed, depth, and breadth of learning cycles.

**Table 1. Framework for Analysis of Speed, Depth, and Breadth of OD Interventions**

| | Low Impact | Moderate Impact | High Impact |
|---|---|---|---|
| Speed | Interventions are designed to be linear and non-iterative. Interventions are generally one time events or processes. | The intervention may occur as a series of iterative learning cycles, but this is not an avowed purpose of the intervention. | Interventions are purposefully structured as process of discovery, planning interventions, taking action, reflecting, and based on learning. |
| Depth | Interventions tend to operate within the framing assumptions of the organization. As a result, most learning can be characterized as Level 1 (single-loop). | Interventions do not seek to produce Level 2 learning (double-loop) or Level 3 learning (learning to learn). However, the design has elements that might result in Level 2 or Level 3 learning. | Interventions are structured so as to directly engage underlying organizational assumptions/governing variables, seeking to produce Level 2 and Level 3 learning. |
| Breadth | Interventions are limited to specific structural units, subsystems, and issues. | Interventions may have a fairly wide impact across the organization as a system, but this is not a purposeful aim of the intervention. | Interventions directly engage organization as a whole system. |

A low impact characterization indicates that the intervention is not directly or indirectly designed to improve the dimension. A moderate impact characterization indicates that the intervention is indirectly designed to enhance this dimension. A high impact characterization indicates that the intervention is purposefully intended to enhance this dimension of the learning cycle.

Table 2 applies this analytical framework to characterize four popular OD interventions. Two interventions, future search conferences and the conference model, were selected because they are commonly referred to in a discussion of fast cycle OD; two interventions, action learning, and action science, were selected because they derive from an organizational learning foundation.

**Table 2. Relative Speed, Depth, and Breadth of Various OD Interventions**

| Intervention | Proponents | Speed | Depth | Breadth |
|---|---|---|---|---|
| Future Search Conference | Weisbord (1992) | Low | Moderate | High |
| Conference Model | Axelrod (1992) | Moderate -High | Moderate | High |
| Action Learning | Revans (1982)<br>Marsick, *et al.* (1992)<br>Pedler (1992) | High | High | Low-Moderate |
| Action Science | Argyris, 1992<br>Argyris *et al.*, (1985)<br>Argyris and Schon, (1978) | Low | High | Low |

The characterizations of each intervention displayed in Table 2 are purely arbitrary, based on the personal judgment of the author. However, in all cases, the interventions have been analyzed based on the prescriptive models offered by major proponents. The following describes the author's justification for each of the ratings.

*Future Search Conference.* According to Weisbord (1993), the future search conference's power lies in its ability to bring "the whole system in the room." As a result, the breadth dimension is labeled as high impact, because future search seeks to engage the fullest possible range of stakeholders, business units, subsystems, and issues. The approach is portrayed by Weisbord as a non-iterative, linear, plan-implement process. As a result, speed is rated as low impact. (Note: At first glance, this characterization might seem inaccurate since the intervention itself occurs over a highly compressed time frame. However, from an organizational learning point-of-view, the effect of speed on organizational learning cycles would be seen as low impact since the process is not envisioned as a process of discovery through learning cycles.) Future search conferences, by design, seek to search for "common ground," avoiding deep questioning of mindsets and perceptions. Yet, since they bring together an intentionally diverse set of perspectives in an intense, interactive process, there is an indirect impact in which the framing assumptions underlying the business might be surfaced and explored. As a result, depth is rated as moderate impact.

*Conference Model.* A cousin of the future search conference, the Conference Model is also viewed as high impact in the breadth dimension. Yet, because of the iterative nature of the design

(multiple conferences are held over a series of months, with planned actions taken in between sessions), speed is rated as moderate impact or high impact, depending on how the intervention is implemented. If the actions taken between sessions are designed to merely implement an established plan of action, speed would be assessed as moderate impact. However, if the actions are taken as part of an intentional process of discovery and assumption checking, speed would be seen as high impact. As with future search, the search conference model is rated as moderate impact in the depth dimension.

*Action Learning.* Action learning is a structured, team-based process of "learn by doing" (Revans, 1982). Popular in Europe for many decades, action learning is just beginning to find widespread acceptance in the U.S (Marsick et al., 1992). The analysis of this intervention is made difficult by the sheer range and variation of applications of the basic design (Pedler, 1992). It is typically organized as a series of iterative learning cycles that occur within a relatively compressed time frame (often less than six months). Therefore, speed is rated as high impact. From the beginning, action learning is envisioned as a process of inquiry aimed to discover solutions to complex problems that have no known solution. In addition, teams (traditionally called "sets") are aided by a "set adviser" or "learning consultant" who seeks to help the team raise "discriminating questions" and question unstated assumptions. Teams are also assisted in examining their own learning processes. As a result, depth is characterized as high impact because of action learning's attempt to enhance Level 2 learning (double-loop learning) and Level 3 learning (learning-to-learn). Action learning teams typically focus on immediate issues or problems. As a result, efforts are frequently limited in scope and restricted to specific organization stakeholders, units, subsystems, or issues. Consequently, breadth is rated as low impact to moderate impact, based on the degree to which action learning is deployed across the organization.

*Action Science.* Action science refers to a methodology developed by Argyris and Schon (Argyris et al., 1985) designed to explore the assumptions and variables that silently influence human action in organizational settings. Commonly employed interventions include the left-hand column process, dialogue facilitation, and the ladder of inference (Senge et al., 1994). Depth is rated as high impact, because of the intent to promote Level 2 and Level 3 learning. The notion of the learning cycle is a key component that informs action science methods; however, efforts do not generally seek to accelerate the number of cycles that occur over a period of time, although this is likely an indirect result. Therefore, speed is viewed as moderate impact. Action science interventions are often highly focused on the microscopic details of human interactions, such as one-on-one conversations or small group discussions that do not produce the desired results. As a result, breadth is seen as low impact, since action science purposefully does not engage the whole organization as a system.

## Conclusions and Discussion

This paper demonstrates how a learning cycle framework derived from organizational learning theory can be used to analyze and compare OD interventions. It is believed that this framework offers an important contribution to the emerging understanding of fast cycle OD. Envisioning fast cycle OD as a series of interventions with reduced intervention cycle time appears to be of limited usefulness. Such a conception of fast cycle OD does not capture the impact of interventions upon desired organizational outcomes. Moreover, it does not represent the multi-dimensional nature of organizational change, in which the speed, depth, and breadth of interventions need to be considered to determine the capability of the intervention to produce high-speed, system-wide change.

There are several significant limitations to this paper. The assessments are admittedly arbitrary, reflecting the author's personal judgments. A more rigorous, empirically-driven

application of the organizational learning cycle model to OD interventions is an important next step. Such a research agenda might be able to quantify the impact of OD interventions upon the production of fast, system-wide transformations. Moreover, only four different interventions were examined. Additional insights would probably derive from examining a broader cross-section of OD methodologies, such as process reengineering, sociotechnical systems design, appreciative inquiry, and total quality management.

The analytical process described in this paper has important implications for practitioners regarding the selection and implementation of OD interventions. For example, it may be possible to modify several commonly used intervention methods to enhance the speed, depth, and breadth of learning. For example, those employing action learning approaches might explore ways to structure interventions as a systemic process, thereby increasing the breadth of the intervention. Those applying search conference methods might want to explore ways to use future search as part of an iterative discovery process, thereby increasing the speed of the intervention. Such a process might result in a new generation of OD interventions that, by incorporating the strengths of various intervention methodologies, seek to enhance simultaneously the speed, depth, and breadth of organizational learning. It may also suggest a reconception of the purpose of the OD practitioner. From an organizational learning perspective as presented here, the primary responsibility of the OD practitioner is to enhance the speed, depth, and breadth of learning cycles. Such a redefinition of the OD role might challenge many traditional views of the role.

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# Intervening to Align: Approaches to Improve Organizational Alignment

*Steven W. Semler*
*University of Minnesota*

*High-performing organizations are well aligned, with strongly linked strategies, structures, and cultures. Current theoretical perspectives of organizational alignment might guide the practical choice of intervention approaches and strategies. The author presents a five-step alignment process based upon previous research and theory and illustrates how sociotechnical systems, management technology, and large scale interactive process approaches address organizational alignment. Practitioners can leverage the LSIP strengths of maximum participation, collaborative decision making, and rapid deployment to design and implement technical and cultural systems that increase organizational alignment and performance.*

In an environment of increasing competitive pressure, globalization, and technological change it is a truism to say that organizations are complex. Despite our growing understanding of this complexity, we still struggle with the questions of how to manage and intervene in organizations to obtain high performance. With so many competing demands, the myriad people, processes, activities, and cultural components of an organization often end up working at cross purposes. Organizational health requires harmony, and organizational performance requires efficiency. The concept of organizational alignment embodies both of these ideas.

This article presents current theoretical perspectives of organizational alignment and shows how theory might guide a practitioner's choice of intervention techniques and strategies. It also introduces a process model for improving organizational alignment based upon the theory. A concluding section illustrates the effectiveness and usefulness of large-scale process technology in improving organizational alignment, as well as facilitating collaborative organizational change.

## What is Organizational Alignment? Theoretical Perspectives

Webster's dictionary defines alignment as "the proper positioning or state of adjustment of parts in relation to one another." In the organizational context, alignment is the degree to which an organization's strategy, design, and culture are cooperating to achieve the same desired goals (Semler, 1996). It is a measurement of the agreement or relative distance between several ideal and real elements of organizational life. Strong alignment requires agreement, rather than conflict, between strategic, structural, and cultural variables. Almost by definition, an organization that is well aligned is an efficient organization. Just as misalignment of the wheels of an automobile causes inefficiency in its driver's efforts to move in a straight line, misalignment of an organization's internal guidance systems causes inefficiency in its attempts to achieve its goals.

The concept of alignment is not new. Nadler and Tushman's (1989) congruence model of organization behavior was first published in 1979 and adequately represents the core of nearly all later discussions of organizational alignment. Later research has offered additional information that expands the power of their theory and extends the concept of alignment into improved organizational change models. Until recently, however, little theoretical work has been done to expand understanding of alignment in the behavioral sciences (Semler, 1996).

Most work that relies upon the idea of organizational alignment emphasizes either technical (Beer, Eisenstat, & Biggadike, 1995; Pasmore, 1988; Rummler & Brache, 1995) or cultural (Bennett, Fadil, & Greenwood, 1994; Kotter & Heskett, 1992; Tosti & Jackson, 1994) alignment aspects, but rarely combines both.



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Blending technical or structural aspects with social or cultural aspects offers a more balanced and complete view of alignment that can show practitioners how to improve alignment within their client organizations (Pasmore, 1988). Semler's work (1996) offers a theoretical framework for this balanced sociotechnical view of alignment. Within this theory, organizational alignment is defined as:

> The extent to which there is agreement between strategy, structure, and culture within an organization. This agreement creates an internal environment that facilitates achievement of the organization's strategic goals by removing internal barriers to cooperation and performance that would otherwise reduce the efficiency and effectiveness of work toward those goals. (p. 7)

The broad concept of organizational alignment operates in six distinct but interrelated aspects:

- *Environmental alignment*, representing the appropriateness of the strategy or vision to the conditions of the organization's external environment,
- *Values alignment*, representing the agreement between the organization's cultural values and the strategic goals or vision,
- *Norms alignment*, representing the degree of support that the organizational behavior norms lend to the planned behaviors required to implement the strategy,
- *Process alignment*, representing the strategy-driven design and operation of organizational, group, and individual job processes,
- *Reward system alignment*, representing the agreement between the policies, procedures, and compensation systems that encourage or inhibit individual behaviors and the organization's strategy, and
- *Performance alignment*, representing the degree of similarity between actual organizational behavior and the strategic ideal or vision (Semler, 1996).

Alignment is not a static phenomenon. Once an organization has achieved strong alignment in all six aspects, it will still have to reassess and maintain its vigilance. Beer, Eisenstat, and Biggadike (1995) emphasize that realignment is necessary every time that there is a significant change in the organization or its operating environment. Organizational culture is a way of maintaining and transmitting the values, norms, and practices that have been successful in the past (Schein, 1990). Kotter and Heskett (1992) point out in their research on organizational culture that organizations that were previously star performers lost their star status when market conditions changed but the organizations' cultures kept them doing things in the same ways as before. A systematic process to ensure continuing reassessment of external and internal conditions is a requirement for a self-aligning organization.

Particular characteristics of strong alignment are (a) the feeling of collaborative action and mutual support of members within the organization (Bennis, 1966; Kiefer & Stroh, 1984), (b) the sense of a mutually defined and organizationally shared vision (Dannemiller & Jacobs, 1992; Weisbord & Janoff, 1995), and (c) work systems that are intentionally designed to be compatible with each other, with the social aspects of the organization, and directed toward achievement of the strategic vision (Juran, 1992; Rummler & Brache, 1995). These ideas represent the heart of alignment--that the members of the organization can work together in common-sense systems to reach a preferred future that they have envisioned.

### Why Should We Want Alignment?

Alignment represents the social health and the technical efficiency of the organization at its highest level of performance. When alignment within each of the aspects is strong the organization's members are:

- Focused on the right strategy for the organization's environment,
- Working collaboratively and enthusiastically toward that strategy or vision,

- Working in mutually supporting and efficient processes,
- Rewarded for behaviors that support the strategy, and
- Achieving progress toward the vision they created for their organization.

Alignment is not itself performance. It is a measurement of cooperation and agreement. By improving alignment an organization can increase its efficiency and more easily reach its performance goals. Increasing alignment removes barriers to effectiveness at the levels of individual, group, intergroup, and organizational performance (Kiefer & Stroh, 1984; Pasmore, 1988). Strong alignment is desirable because it serves the good of the organization and its individual human members.

**How Can We Improve Alignment?**

Organization development practitioners and managers can gain some practical guidance from the theories about alignment. Good theory can help them select appropriate intervention approaches to improve alignment. There are many different types of interventions. OD practitioners often group these into categories based upon level of effect. Whole-organization interventions have the most impact on organizational alignment, although group and inter-group interventions can also play a useful role in improving alignment.

***Practical implications of the theory.*** The current theory about organizational alignment provides three key implications for managers and consultants working with alignment. Each of these major implications derives from the complex nature of the organization as an interdependent system. Attending to these implications can help practitioners select and design effective interventions.

- Strategy, structure, and culture are interdependent. A change in one will cause changes in the other two. Intervention approaches must take the entire system into account to prevent improvement in one area from suboptimizing and causing decline in other areas.
- Conversely, the systemic nature of alignment provides opportunities for change reinforcement. An intervention strategy that includes structural, cultural, and strategic supports for the new behaviors and relationships gains a synergistic effect that one-dimensional interventions lack.
- Intervention approaches must balance acceptability with new behavior modeling. Interventions that match the values and norms of the current organizational culture will gain greater initial acceptance, but may not model the changes in behavior required to align system components. Interventions that model the new behavior may not be initially acceptable to organizational members. Practitioners must balance these factors.

***Interventions.*** Interventions at different levels in the organization serve different purposes in improving alignment. Group-level interventions are most appropriate for addressing problems or improvements in a process or closely related set of processes under the "ownership" of an intact group (Beckhard, 1969; Harvey & Brown, 1988).

Intergroup-level interventions are most appropriate for resolving issues of power, cooperation, misperception, and miscommunication among groups within the organization (Beckhard, 1969; Harvey & Brown, 1988). The objective of intergroup alignment interventions is to help the client groups develop "a common database of strategic information" (Jacobs, 1994). This common pool of information and understanding helps the groups' members to understand each other's work and to find the common ground for collaborative action.

Whole-organization interventions are generally the best means of addressing the complexity of simultaneously aligning strategic, structural, and cultural aspects of the organization. Alignment operates within the level of the organization at which the design, flow of information and resources, and overall context for interpersonal behavior and constructed meaning is set (Harvey & Brown, 1988). Whole organization interventions address the organization as an entity and are, therefore, most useful for improving alignment.

**The Alignment Process.**

A five step process is useful for planning organizational alignment interventions (Figure 1). The process serves as a guide for the design and implementation of well-aligned, high performance work systems, and reflects the theoretical implications previously described.

***Step 1: Calibration.*** Alignment implies that strategy, structure, and cultural characteristics are directed toward mutual ends. The first requirement of the alignment process is to determine what that direction should be. Just as the test and measurement instruments of medical specialists, engineers, and technicians in other fields require periodic calibration and resetting to a standard zero point, the *organizational zero point* is the "true direction" for organizational performance.

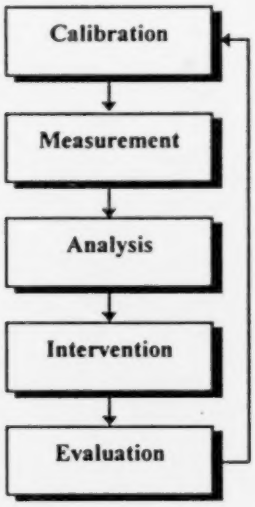


**Figure 1. The alignment process.**

The calibration information will typically come from the organization's strategic assessment and planning work (Gephart & Van Buren, 1996; Wall & Wall, 1995). It provides the reference for organizational performance criteria, goals, strategy, and values in relation to the organization's external environment. Once executives and OD consultants have identified the best overall direction for organizational performance, the next step is to determine the current state of alignment.

***Step 2: Measurement.*** The calibration and measurement steps of the alignment process will determine what components of the organization offer the greatest opportunity for improved alignment. Before decision makers can determine how to intervene to improve alignment, they have to understand the organization's current state of alignment. In order to gain this understanding, OD practitioners must measure the current state of alignment in each of the relevant aspects. Organizational decision makers must set some criteria for measurement of alignment so that they will be able to gauge improvement or decrease in alignment after intervention. The basic requirements for such criteria are that they be observable, relevant to performance, and reflect the direction provided by the zero point. Each organization may differ in the specifics of these criteria.

Currently there are few, if any, adequate measurement instruments for assessing organizational alignment. Measurement of alignment often defaults to systematic observation and questioning of employees about how goals are pursued, work accomplished, and performance barriers identified and removed. Assessment of each the six aspects of alignment identified in Semler's (1996) theory can help practitioners get a grasp on current synergy of goals, norms, processes, reward systems, and performance. Measurement can take the form of targeted climate assessments, structured observation, focus-group discussions, or a number of other techniques appropriate to the client organization's culture and needs. Consultants and assessment participants compare current practices and activities against the zero point identified in the calibration step to determine the degree to which these elements are contributing to performance directed toward the zero point requirements.

***Step 3: Analysis.*** With an understanding of the organizational direction or zero point and an assessment of the current alignment of the organization, executives and OD practitioners can take the next step. This requires them to generate intervention options and to determine what action they should take to improve alignment. Swanson's (1994) work on analysis for performance improvement can provide valuable guidance for this step.

A cost-benefit analysis of different options can be very helpful in this stage. Performing a cost-benefit analysis forces the organization to quantify the effects of misalignment and current levels of performance, as well as the possible results of improving alignment. Taking this step makes subsequent evaluation of interventions much easier and more convincing. In the analysis step is also the contracting between management and its chosen OD consultants, using the cost-benefit analysis and option descriptions as the basis for the contracting. The analysis step is the preparation phase for the methods that the organization will use to improve alignment.

***Step 4: Intervention.*** The next step in the alignment process is the intervention. The intervention step includes the design, development, and implementation of the intervention or interventions. The intervention approach selected to provide a solution may be a "pure" OD approach, or the organization's needs may make a combination of methods attractive. Sociotechnical systems or large scale interactive process methods are often used as primary alignment approaches. The most important factor to consider for the purposes of organizational alignment and high performance is the ability of the intervention approach to address the strategic, structural/process, and cultural aspects of alignment simultaneously. This requires a complex and well-planned intervention strategy, and is not easily accomplished.

Many change consulting practitioners also recommend building organizational support for change as a preparatory step to the actual intervention (Dannemiller & Jacobs, 1992; Gephart & Van Buren, 1996; Pasmore, 1988). This is an important step in alignment interventions because of the broad organizational scope required to align different components of a complex sociotechnical system (Nadler & Tushman, 1989).

***Step 5: Evaluation.*** Upon completion of the intervention, or as part of a complex intervention strategy, the alignment intervention team should evaluate the effect of the intervention. This helps the organization learn to what extent the intervention actually worked and provides insight into both the alignment process and the state of alignment within the organization.

Evaluation techniques take the same form as the measurement techniques used earlier in the alignment process (Swanson, 1994). The measurement criteria from the previous step serve as the baseline against which to compare the post-intervention conditions. The evaluation step outputs also provide the information inputs for the next cycle of the alignment process.

**Intervention Approaches to Alignment**

There are a variety of intervention approaches that can be effective and appropriate for improving alignment. I have presented only a categorical survey of them here. Some approaches are classic OD interventions and some are more akin to management techniques. Regardless of their origins, they offer practitioners with an introductory menu of methods for improving organizational alignment within their client systems. These interventions fall into three major categories: sociotechnical systems (STS) approaches, strategic management techniques, and large scale interactive process (LSIP) approaches.

***Sociotechnical systems (STS) approaches.*** Sociotechnical systems (STS) redesign is an approach that works to improve the social and technical systems of the organization concurrently (Pasmore, 1988). The intentional design of the organization's process structure helps to improve the alignment among processes and with the overall strategy. A key component of STS work is the mutual support that technical and structural systems can provide to social or cultural behaviors, and vice versa.

Redesign of reward systems and work processes is often a part of STS approaches.Reward systems redesign attempts to change norms by aligning the reward systems with the organizational strategy (Bechet & Walker, 1993; Britton & Ellis, 1994). Reward systems, including compensation, recognition, discipline, and promotion, have a strong influence on behavior. Intentionally designing these systems to support the behaviors required by the strategy is a method that is often effective in changing norms.

Sociotechnical system process interventions include the well-known business process reengineering (BPR) (Hammer & Champy, 1993) and Total Quality Management (TQM) intervention strategies (Deming, 1986; Juran, 1992). The organization process redesign technique offered by Rummler and Brache (1995) takes basic STS redesign a step farther by adding a systematic method to create a cascade of linked processes that all contribute to overall performance.

Some advantages of STS approaches include their attention to both technical and social systems. Approaches that address only one of these two systems often ignore the interdependence between them and show poor results. STS interventions are also thorough and proven intervention strategies. Their disadvantages are that they do not automatically provide for broad collaborative participation in the redesign process (and therefore wide acceptance) and that they are complex and slow to implement. The chief criticism among executives is that STS approaches are too slow for the competitive environment (Jacobs, 1994).

***Strategic management approaches.*** No matter how internally well aligned an organization may be, if the organization's strategy is not appropriate to its environment then alignment will only help it to fail faster. Most management techniques focus on improving the quality and effectiveness of strategy development and implementation as a means of better aligning the organization with its environment. Most management techniques can be differentiated from STS methods by their focus on technical solutions with relatively little consideration of social effects of the intervention approach.

Strategic planning processes may attempt to increase alignment between strategy and culture by using a quick assessment of the organization's core values to determine whether the culture will support the strategic directions they have tentatively selected (Pearce & Robinson, 1994). The assessment serves as a cultural double check on the assumptions of the management team. Many methods use teams to decentralize planning and improve organizational responsiveness (Pasmore, 1988; Wall & Wall, 1995).

Arthur Harkins (1996) at the University of Minnesota has developed a concept for using a *virtual learning organization* to assess the organization's environment and to conduct future simulations. The simulations would be linked to real time information sources via the Internet or other electronic means. Individuals could also add their own information to the database using input rules and make up fictitious data for simulation purposes. Drawing on the work of Peter Senge and others (Argyris & Schön, 1978; Senge, 1990; Watkins & Marsick, 1995), the results of the simulations could be frequently compiled, summarized, and communicated throughout the organization by those running the simulations. The knowledge gained from these exercises would feed into the organization's own learning structure and would be used to drive continuous strategy development and realignment. The virtual learning organization is an example of cutting edge technology applied to organizational learning. Other management techniques attempt to achieve alignment in the same way--by increasing the efficiency and effectiveness of management and leadership processes. These approaches can be effective in specific areas, but cannot address overall organizational alignment.

***Large-scale interactive process approaches.*** Among these methods are the Search Conference (Emery, as cited in Pasmore, 1988), the Future Search (Weisbord & Janoff, 1995), the Conference Model™ (Axelrod, 1992), and Real Time Strategic Change process (Dannemiller & Jacobs, 1992; Jacobs, 1994). Each of these methods, collectively called *Large Scale Interactive Processes* (LSIP), seeks to obtain a large, representative group of stakeholders to participate in a structured process to find common ground and develop both a shared vision of the future and the plans required to move toward that preferred future. The LSIP methods differ in specifics, but all are based upon several core values: (a) inclusion of a diversity of viewpoints, (b) mutual interpersonal respect, (c) collaborative action, (d) a future orientation, and (e) finding common ground.

The application of LSIPs to organizational alignment offers some significant advantages. By involving a large number of participants, organization captures a greater amount of useful information in the strategy development process. The inclusion of external stakeholders (customers, suppliers, community members) strengthens this advantage. The LSIP methods

integrate strategy development with implementation, and the high participation levels help to ensure that implementation progresses more rapidly and more effectively. Structural and process changes made as a result of the plan are able to support the new patterns of behavior and reinforce the behaviors required to make progress toward the shared vision.

Schein (1990) and Pasmore (1988) caution that there may often be more than one coherent culture operating within a single organization. The dominant culture may also change as the wider social environment of the society in which the organization is embedded changes (Nadler & Tushman, 1989). The LSIPs are able to bring in both organizational majority cultures and subcultures through their emphasis on maximum and representative participation. This inclusion, coupled with the participation in the strategy development and planning processes, helps to ensure that the strategy reflects the whole organization's values.

The advantages of the LSIP approaches are speed, participation, effectiveness, comprehensiveness, and the relative ease of implementing the results of the activities. One of the disadvantages of the approach is that most organizations are not currently familiar with the LSIP methods. Other disadvantages are that many organizations may not be comfortable giving so much power to the average employee in a high involvement process, and that the preparation time and cost may appear to be a barrier, although this may often be insignificant when compared with the costs of other methods that take much longer to fully implement.

## Summary

Organizational alignment is a measure of organizational health and efficiency. It is not the only measure, but it offers a specific view of the organization as a system that operates best when it is in tune with its environment and when its components interact in harmony. The task of improving alignment often falls to the OD practitioner or consultant. The approaches presented here should serve as a basic menu of choices and a place to start.

The importance of future simulations that tie to organizational learning is a concept with potential. The idea of virtual learning organizations could offer the front line employee the chance to "play CEO." If simulation could be made part of the continuous strategy development process, organizations might be able to anticipate and prevent market disasters. In any event, strategic learning organizations would make the task of realignment much simpler.

Large-scale processes have quite a bit to offer client organizations. By increasing participation, these processes increase speed, effectiveness, implementation, and ownership of the results. Only a fairly small number of practitioners are trained in their use at this time, but we may expect to see that number grow dramatically as the benefits of LSIPs become more widely known. An intangible benefit of the large-scale processes reported by Kathie Dannemiller, one of the large-scale process pioneers, is the intense positive energy that participants experience during and after the events. She has remarked that it is amazing and wonderful that people can do so much work on their organizations and be so energized about it. The LSIP methods are also very effective at improving organizational alignment.

As the world becomes more complex, competitors, customers, shareholders, communities, and employees will place more direct and indirect demands upon organizations. Improving organizational alignment can provide a competitive advantage to those organizations that are wise enough to pursue it. Improving the harmony between organizational strategy, structure, and culture can make it increasingly likely that an organization will reach its goals and be able to thrive amid increasing complexity.

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# Revisiting our Analytical Models of Organizational Change

*David W. Frantz*
*Purdue University*

*Current models of organizational change are focused on the importance of creating vision, alignment and transformational leadership. These models emphasize the actions and thought processes of top management. Despite the growth of employee involvement strategies, most change models implicitly view human resource issues too late in the change process. Analytical models of organizational change should be altered to reflect the knowledge that employee attitudes, values and behaviors play a pivotal role in organizational change efforts.*

Organizational analysts and human resource practitioners have long been interested in identifying how organizational change occurs. There has been a proliferation of literature on organizational change, perhaps because organizations are faced with mounting pressures to change in today's world. We often know why change efforts fail to be sustained more than we can identify why change efforts succeed—even though there is no shortage of attempts to do so. Burke and Goodstein (1990) note that "even though we often state the obvious and spout cliches about change, this does not mean we have an in-depth understanding of what we are talking about" (p. 6). The focus of this paper is to contend that our analytical models of change have not caught up with the knowledge that we have gained about successful change processes.

## Statement of the Problem

The central issues to be addressed in this paper are: Do current models of organizational change and transformation adequately account for how organizations actually transform themselves? Specifically, how do they help organizations ensure that organizational change efforts will be successful, or how might these models be adapted to optimize organization transformation efforts?

Current models of organizational change and transformation are focused more on the importance of creating vision, alignment and transformational leadership. They emphasize the action and thought processes of top management. John Kotter's eight stages of leadership as outlined in Leading Change are an example of this (Kotter, 1996, p 21). Kotter's model is to be commended as a useful practical tool. It is illustrative of many common analytical change models. As such, it depicts a model of organizational change which is initiated at the top of an organization and filters down throughout the organization. There have been no shortage of practitioners and theorists proclaiming that failures to sustain change efforts revolve around human resource issues (Duck, 1993; Schneider, Brief and Guzzo, 1996) This may partially result from analytical change models which place employee issues too late in the process. If this is true, our models should be altered to reflect our current knowledge.

## Research Methodology

First, a brief review of the current organizational literature regarding organizational change models is presented. This is not intended to be an exhaustive review but is done to provide the context for the problem and to narrow the focus. This will provide the theoretical framework for the paper.

Second, an organizational analysis is presented of a change effort in a mid-western plastics manufacturing company. The research was conducted over an 18 month period of time,

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from June, 1995, to December, 1996. This is part of an ongoing study to determine the organization's response to change. The company's primary lines of business are in the extrusion coating and plastic sheet production business.

The organizational research includes 1) a review of company documents and management statements, 2) employee opinion survey responses, 3) observations of company meetings and training sessions, and 4) transcripts of video-taped interviews with selected managers and employees along with written notes of non-videotaped interviews. Interviews have been conducted at four levels—the corporate office (President and three Vice Presidents), the plant manager, middle managers (5), and operating employees (10). This was done to gain different vantage points regarding the change process. Periodic video-taped interviews will also be conducted in the future to observe management and employee response over time. A qualitative research approach has been adopted along the lines proposed by Coffey and Atkinson (1996). The interview data has been transcribed and analyzed with the aid of both a coding and classification system and a metaphorical analysis.

## Theoretical Framework: Current Organizational Change Literature

A myriad of articles and books on organizational change have been forthcoming. It would be a mistake to assume a high degree of commonality between organizational change models. It is not my purpose to present a broad review of the organizational change literature. However, it is important to narrow the scope theoretical framework for this project. A review of recent publications yields four "streams" of organizational change research.

1. ***Change Theory Classification Systems.***

This is likely a sign that the field of organizational change is reaching maturity. One stream of research attempts to classify the various theoretical approaches to organizational change. This stream is exemplified by such works as Van de Ven and Poole (1995).

2. ***Strategic Change Choices.***

A second stream is composed of literature focused on identifying variables affecting the choice of particular change strategies. These may be considered "situational" or contingency oriented approaches to change processes. This stream is represented by the work of Dunphy and Stace (1993), emphasizing the need to consider the style of leadership and the scale of change; Strebel (1994) exemplifies this approach by focusing on the environment and forces of resistance. Nadler and Tushman (1990) also exemplify this stream in their distinction between incremental and strategic or discontinuous change.

3. ***Interpretive/Philosophical Analysis***

A third stream is focused on the importance of language used in our organizational change models. This has centered around the use of metaphors as it relates to change theory. Palmer and Dunford (1996) have written extensively about the how metaphors may be used in conflicting ways. Marshak (1994) has also developed a typology of metaphors used in the field of change theory. These authors exhort organizational analysts to become more aware of the impact of the language and images used.

4. ***Case Application and Analysis***

A fourth stream revolves around two types of publications. The first type includes case analyses as to what change interventions have succeeded and failed. Sometimes a theoretical model is used in conjunction with this; at other times, the case is merely descriptive. This type is reflected in the work of numerous popular business texts. The second type is the development of theoretical models, aimed primarily at guiding practitioners. John Kotter's book previously cited, Leading Change, is such an example. A similar example, more empirically based, might be seen in Robertson, Roberts and Porras (1993).

I am primarily concerned with this last type, partially because these models may have the greatest impact on a large number of individuals and organizations. Although, as noted below, I will draw on the literature of the third stream as well. Each of these streams have a contribution to make to the field and they are not mutually exclusive. In addition, one more field must be considered, that of the "learning organization." This is a field distinct from organizational change, but likely grew out of the field of organizational change. This is exemplified by the writings of Senge (1990), and Nevis, DiBella and Gould (1995). The contribution of this field will be discussed further below.

What are the main features of this fourth stream, case applications? First, perhaps because they are directed toward applications, they tend to be sequential or stage models. As such, they tend to be linear, causally related models. In Kotter's case, he goes as far to say that the stages must be experienced as they are presented (p. 23). Second, they are hierarchical models for the most part—with change process being initiated at the top of the organization and moving down the organization. This may take the form of a "guiding coalition" or a "transition management team." I acknowledge great support in the literature and in real life regarding the importance of leadership and top management support. Third, because of the structure of the model, the bulk of employees are affected at later stages in the model. In most application models, the "people issues" surface at the implementation stage. If we were to perform a metaphorical analysis, we might conclude that the image of employees in the process is as follows: employees are a group to be "aligned" with a vision, an important group to be over-communicated to, and in some cases, they are an implementation hurdle—a critical one at that. This is so even though most of these models espouse high employee involvement processes.

Finally, there is growing evidence in the literature that the role of individuals has been underestimated, and in fact, human resource problems have been the source of many barriers to successful change efforts (Schneider, Brief and Guzzo, 1996). Recently, an article emerged about how the "re-engineering gurus" forgot to include people in their formula (White, 1996). "Organizations as we know them are the people in them; if the people do not change, there is no organizational change" (Schneider, Brief and Guzzo, p. 7). Perhaps our analytical model of change needs to be altered to address larger employee workforce issues earlier in the process. We find this out in hindsight numerous times—maybe the model needs to reflect our hindsight.

**Case Background**

Additional insights may be obtained by combining this theoretical framework with organizational case research. PLASTIX (a fictionalized name) is a manufacturer and distributor of plastic products. You find their end product being used on such things like restaurant menus and credit card laminations. The company is privately owned, 700 employees at 14 sites across the U.S. and Canada, with a corporate headquarters in a major mid-western city. They employ their own sales force. The company has progressively gotten larger over the past 60 years. Recently, product sales have increased overseas but declined slightly in the domestic market. The company has generally competed on the basis of quality rather than price. It has excelled in customizing products for its customers and has been in the forefront of technical improvements. Recently, competitors have been catching up to their quality levels and excelling at product delivery times. Like a number of industries, PLASTIX is pushed to produce higher quality, quicker, and cheaper. Research on the organization has been conducted at one of its major manufacturing locations (195 employees) and the corporate office. This particular location has more than doubled its size in the last eight years.

In January of 1995, the plant manager recognized a need for improvement in the quality of supervision and management. Like many small to medium sized companies, many of the first line supervisors and managers had been promoted from technical positions, were limited in their education and functioned out of a more directive style of management. The first intervention was to develop a series of supervisory training sessions on leadership philosophy, motivation and interpersonal communication skills. Outside consultation was obtained for this and these sessions

were completed in the Summer and Fall of 1995. Not surprisingly, participants expressed skepticism regarding any change in managerial behavior because there was little involvement, other than sponsorship, of these training sessions. During this same time period, the company was going through ISO 9002 certification, which it obtained.

In January of 1996, the plant manager was promoted to the corporate offices and a new site manager recruited and hired from the outside. Three months later, the new plant manager determined that a more aggressive change effort was needed, and again utilized outside consultation. The stated change objectives were to 1) increase employee initiative, 2) reduce interdepartmental conflict, 3) heighten focus on the customer, and 4) increase operational productivity through better inventory management, decreased cycle times and better material utilization rates. In short, the plant manager desired to move the plant toward "world class performance." This time, a combination of approaches was used. An employee opinion survey was administered in August, 1996. A series of management retreats were held in the Fall of 1996; open employee forums were scheduled and several cross-functional work teams were initiated.

With the approval and participation of the company, a series of interviews, the majority of which were video-taped, were conducted. As noted above, these were conducted at the corporate level, plant management levels and employee levels. The first phase of interviews has been completed and will be repeated at several points in the future. A structured questionaire was used to elicit individual's overall opinions and attitudes about how change is introduced, implemented and managed within the organization. Prior to completing the research, it was hypothesized that the intervention of interviewing employees would create self-reflection and learning about company change efforts and would decrease organizational resistance and facilitate employee commitment to change efforts. However, it is too early to determine if this is correct. The initial round of interviews offer no evidence to support this hypothesis. This hypothesis will be developed or left behind as future interviews are conducted.

## Research Results

The following results are emerging, based on a qualitative review of the data. First, the architects or the drivers of change (top management) are the furthest removed from the operational effects of change. If top management does not have at least an "implicit" model of change which links both the change vision and the change effects, the transformation process will become bogged down or stalled. A strategy for helping employees adjust to changes in daily operating conditions is required. Second, top management may mistake the lack of objections as "alignment" or "commitment" to the change process. Stated differently, employees appear committed and supportive but this may be due to the fact that they have been appropriately socialized to respond positively—and may have little idea as to what they are actually committing themselves. Third, the largest hurdle to overcome is not employee resistance or unwillingness to change, but the lack of skills or knowledge to do so. Each of these points will be explored in more depth.

*1. **Linkage of Vision and Effects.***

First, interview data suggested that there were distinctly different vantage points regarding the change process. Surprisingly, but perhaps accurately, the corporate officers seemed to possess little stated interest in creating change in the organization—even though they acknowledged the need to bring in an outside plant manager to guide the operations into the future. The plant manager clearly expressed the greatest need for transformational change, although he acknowledged that at the beginning of his tenure, the only expectation given him for his first three months was to "become familiar" with the company. The employees, on the other hand, indicated awareness of things changing and at least one described the next year as a "pivotal" year for the company.

Several commonalities emerged at all levels. The emphasis on the customer was enunciated at every level. There was a pervasive feeling that "people" were treated well

in the company, a reflection of the "family orientation" of the firm. There was evidence that this was moderating somewhat because of growth, increased number of new hires from outside and an increased number of terminations. The president acknowledged that in prior times, there may have been a little more "slack" to carry poor performers.

The key issue about linking the overall vision with the daily operating actions seems to be between the plant manager and the operating employees. Although employees clearly stated that communication has improved, that greater employee involvement is expected, and that greater interdepartmental cooperation is occurring, there is still evidence that the vision is not being translated into operational terms. This is exemplified by lack of progress in such areas as inventory management. It is further exemplified by employee comments that they would like to know about decisions before they occur. This could be attributed to several different causes—a lack of support by middle management, an inability to translate the conceptual vision into operational details, or simply time needed to adjust to a new plant manager.

2. ***Mistaking No Objections for Vision Commitment.***

This issue also is focused at the plant level. This is a result that was not hypothesized ahead of time, and simply emerged out of the observational experience and may be instructive for future change process experiences. This particular company is fortunate in having a backlog of trust on the part of it's employees. Objectively, turnover rates are low for the company relative to the rest of the industry. Again, interview comments reflect the concern the company has for individuals. A predominant theme was dealing with "individual personalities." The president used the image of a functioning body with all parts needing to be healthy to be productive. Operating employees noted the importance of dealing with each person as an individual in introducing change. The plant manager noted the importance of "reading" people and understanding who each person was—on and off the job. Not surprisingly, then, the workforce seems committed to helping the organization change and progress.

However, this seeming lack of resistance and lack of objections should not be mistaken for commitment. It may seem paradoxical, but there appears to be organizational commitment without commitment to the change process—perhaps because the organization has provided a secure environment to work in (virtually no reductions in force). I will offer another alternative explanation. In strongly developed organizational cultures, employees have been socialized to respond positively to management—and in this case, the lack of objections and overt resistance does not indicate the presence of commitment. When pressed, employees and middle managers have a difficult time articulating what the "specific change agenda is." This result should cause us, as managers, to develop better feedback systems to find out what has actually been communicated to and understood by employees.

3. ***Lack of Skills and Knowledge.***

Building on the second finding in this case, although there is skepticism on the part of some middle managers and employees, there is a willingness to change behaviors if needed. What was not clear was why certain operational changes have not been made, even though individuals have agreed that problems exist? This finding is based in part on what was not said. There was little mention by interview participants of lack of skills or knowledge (either because it is not a problem or because they did not wish to admit this). However, the experience of some of the cross functional teams is instructive. Three teams composed of members from different departments and across hierarchical relationships were formed with mixed results. It quickly became apparent that these team members did not know how to work together. On the other hand, the plant manager recounted how two departments migrated from a "warring" state to a more "cooperative" working relationship. Employees, particularly at the operating level may not be prepared for the challenges of the organization's change processes.

**Discussion and Implications**

It should be noted that there are many limitations of the research conducted. First, it has been conducted in a smaller organizational setting. Second, it was conducted at an early phase of a change process. Third, the results could be severely impacted by the influence of new management. The situation could be so unique as to not permit suggesting general principles. Nevertheless, these results suggest that 1) the change design process in this particular situation may need to be altered, and 2) that our models of organizational change may need to more adequately account for the preparedness of the people most affected on a day-to-day basis by our organizational change processes. John Kotter's eight stage model will be quite useful to address the first point. But it is the second point which is the focus of our attention. My observations come as a result of my analysis of the findings, my own past professional experience with large scale organization change and an immersion with the change theory literature.

As previously acknowledged, John Kotter's eight stage model is not the only model of change. However, it is quite understandable, of great practical value and is representative of other similar models. A more detailed model, more empirically based, is presented by Robertson, Roberts and Porras (1993). Both models are underpinned by a "systems" approach. Both models emphasize the importance of both values and behavioral aspects. Both models acknowledge the important role of employees, human resource issues, and the importance of organizational culture. But both, perhaps Kotter more than Robertson, Roberts and Porras, place individual behavior (or employees) in a later phase of their models. With respect to Kotter, the mass of employees are involved primarily after the sense of urgency is created, after the guiding coalition is formed and the vision defined. In the case of Robertson, Roberts and Porras, it is interesting to note that "individual behavior" is placed between "organizational work setting dimensions" and "organizational outcomes." In addition, they portray individual employee changes as emanating from changes in the work setting.

After reviewing the literature on metaphors and change theory, I have to ask whether these models have not influenced our view of employees and their role in the change process? Should our models be revised to "catch up" with our words and our current knowledge of successful change efforts? This may seem like a subtle point, but an important one. As Marshak (1994) notes, our metaphors may function to 1) diagnose unarticulated assumptions, 2) prepare and align people, and 3) confuse or mislead people (p. 49). The metaphor or image which emerges, based on these change models, is that employees are most important in the implementation phase. Although our stated goals are often empowerment and employee involvement, our models reinforce the notion that employees are brought into the process 1) when we are ready to communicate our change visions, 2) when we are ready to implement or operationalize our change visions, or 3) when we are ready to "align" them with the vision. These images fly in the face of employee involvement. Further, we know from experience that change efforts come unglued, stalled and are not sustained, in at least some cases (the present one included) because employees are not adequately prepared or involved.

Unfortunately, I am not great at visualization, otherwise I could propose a nice three dimensional model (I am a creative musician, but the manuscript submission guidelines had no guidance for musical pieces submitted). But I will offer a simplistic or primitive suggestion as to the way our change models should be altered. Currently, models such as Kotter's follow a basic movement: change visions are formulated, change plans defined and change plans are communicated. This occurs in a fashion that starts with a company's leadership and radiates outward. You may visualize this as either a horizontal or vertical progression.

A second process needs to be overlaid on this simultaneously—one which moves from the employee level upward or outward through the organization (even if managed by the leadership). We now re-visit that fifth field—the learning organization—a first cousin of change theory. As a practitioner, I have found the concept of the learning organization very interesting, but hard to put into practice. Ronald Jacobs (1995) summarized it nicely when he questioned whether there was anything behind the curtain of the learning organization? At times, the learning organization concept seems to be like an engine running at full speed which is not

connected to the drive shaft. Yet we read, and perhaps intuitively know, that successfully changing organizations are composed of individuals who can adapt and learn from their experiences. From personal experience, I also see that those organizations which are trying to operationalize this learning organization concept are focused on individual employees more than top management. Nevis, DiBella and Gould (1995) propose a three stage model of "knowledge acquisition, knowledge dissemination and knowledge utilization." The model of the learning organization may be useful in complementing our models of organizational change because it may provide us with a framework for considering employee issues early in our change models—not just at implementation time. Visualize the three stage model alongside the change model.

**Figure 1. Change/Learning Model**

VISION FORMULATION → CHANGE PLAN DEFINED → PLAN COMMUNICATED

KNOWLEDGE APPLIED←KNOWLEDGE DISSEMINATED←KNOWLEDGE GENERATED

This crude figure may depict two linear models, but seeing them working simultaneously and using them when change processes are at their beginning stages may help us anticipate later problems.

For example, if I apply it to the case analysis presented here, we might ask at the outset of developing a change plan: what can we anticipate that our employees need to know, or how can we prepare them for changes we have not yet defined? This seems paradoxical but may be the actual state in which we find ourselves. In this case, we might identify several knowledge areas such as 1) an understanding of personal responses to change, 2) the development of skills to work in teams or groups, or 3) greater appreciation for interdependence and system concepts. If used with a little creativity, approaching change processes from both the leadership and wider employee perspectives may yield more successful change efforts.

This may lead to further research questions. What is the practical value of this model? Are there organizations who have engaged in these activities simultaneously and what have their results been? What additional alterations to the model can be made to make it more useful. How can the concept be expanded in greater detail or depicted in a more useful fashion? What ways could we assist organizations to identify learning needs prospectively? Does the concept of the learning organization need to be amplified before such a model is useful?

## Summary

Organizations are changing more rapidly than ever before. Successful transformation depends both on skilled leadership and committed and knowledgeable employees. Current models of organizational change emphasize the contribution of top management and consider the wider employee constituencies too late in the process. By examining both theoretical literature and an organizational case study, the rudiments of a new model of organizational learning/change was proposed—one which would combine learning organization theory with change theory. This proposed model would provide a way for organizational leaders to focus on anticipating employee knowledge needs and on preparing employees for their roles in organizational change processes.

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